



# NFIP/CRS UPDATE

*October / November 2017*

## Direct Letters give NFIP Policyholders more Information

Earlier this year, the Federal Emergency Management Agency (FEMA) began sending letters to policyholders of the National Flood Insurance Program (NFIP).

The distribution of these letters—known informally as “clear communication letters”—is part of FEMA’s implementation of Section 28 of the Homeowner Flood Insurance Affordability Act of 2014. The Act requires FEMA to clearly communicate current flood risk to policyholders.

To do this, FEMA first required NFIP policies to be updated with current flood map and risk information. Based on that information and how the policy is rated, FEMA is sending out seven different letters to policyholders, including those in CRS communities. The seven categories are:

- NFIP policyholders whose buildings have been newly mapped into a high-risk flood area fall into category A.
- NFIP policyholders who pay a standard rate based on a flood zone of moderate to low risk for flooding fall into category B.
- Those who hold NFIP policies on buildings in high-risk flood areas but whose rates are grandfathered make up category C.
- NFIP policyholders who have a primary residence that is located in a high-risk flood area but was built before the community adopted its first flood map, and thus are paying a discounted rate, are category D.

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## Clear Communication Letters (cont.)

- Those with an NFIP-insured property that was constructed before the community adopted its first flood map—whether non-primary residence, severe repetitive loss property, substantially improved/damaged building, or a business—fall into category E. These policyholders are paying a discounted rate for a building in a high-risk flood area.
- NFIP policyholders with Preferred Risk Policies—for buildings that have an acceptable flood loss history and are located in areas at moderate to low flood risk—fall into category F.
- NFIP policyholders whose premium reflects the true flood risk of the building are category G.

According to John Hintermister, FEMA Insurance Examiner, every NFIP policyholder will eventually receive a letter (Letter A, Letter B, etc.) tailored to that policy’s current risk and rating category. Each letter explains the property’s current risk and rating and how the risk relates to the policy premium that is being charged. The letters go out about two months after a policy is issued or renewed.

In the letters, FEMA suggests that policyholders contact their insurance agents to discuss their individual circumstances. For some categories, the letter is accompanied by a flyer [see box] that shows different rating options and how to get more information.

“These letters provide FEMA an opportunity to clearly communicate to NFIP policyholders what their current flood risk is and how their policy is rated, and also give information about what their options may be,” Hintermister said. “I encourage policyholders to talk to their insurance agent about their policy regularly.”

Insurance agents and policyholders in your community can find out more information about the letters and the rating review process at this link on FEMA’s website: <https://www.fema.gov/cost-flood-policyholders>. The webpage has a sample of the letter being sent for each category, answers to frequently asked questions, background on the Preferred Risk Policy, and suggestions of ways policyholders can lower their flood insurance premiums. ≡ ≡ ≡

**What Will Your Flood Risk Cost?**  
Your Discounted Rate Is Being Phased Out. Learn More.

**Your situation (LETTER A):** An updated flood map shows your property is at high risk for flooding. You can expect your discounted rate to increase by approximately 15, not to exceed 18 percent a year. You may eventually need an Elevation Certificate, but having one probably won't be financially beneficial for most policyholders until quite a few years from now. Know your options.

**Option 1**  
Do Nothing

Your discounted rate will increase by up to 18 percent each year.

**Option 2**  
Get an Elevation Certificate

There's no way to know exactly when having an Elevation Certificate will be beneficial, but [www.fema.gov/cost-of-flood](http://www.fema.gov/cost-of-flood) provides some guidance. Keep in mind without an Elevation Certificate there's no way to predict when these large increases will stop.

**How to Get an Elevation Certificate**  
An Elevation Certificate verifies the elevation of your building. Before you take any action to get an EC, check with your insurance agent or company to see if there is already one on file. If not, you can hire a licensed surveyor to provide one.

**See Your Agent for Your Rate.**

Knowing this, you'll know you're getting the best protection at the rate which fits your risk.

**Keep Your Policy in Force.**  
If you ever allow your flood insurance policy to lapse for other than 90 days, or have for any number of days, you may be required to purchase an Elevation Certificate, and you will no longer be eligible for the discounted rate you have been receiving.

Contact your agent for more information or visit [www.fema.gov/cost-of-flood](http://www.fema.gov/cost-of-flood).

FEMA NATIONAL ALLIANCE

# The CRS — Questions & Answers

— Answers to questions posed by CRS communities —

## Remind me about those Elevation Certificates

**Q** *I've been reviewing my community's Elevation Certificates and am seeing a few items I'm not sure how to handle. Can you give me some tips on what to watch out for?*

**A** First, remember that all Elevation Certificates prepared/dated after January 2017 must be on the latest Elevation Certificate form, available on [the FEMA website](#). There are two versions of the form: the shortened 8-page version contains only what needs to be filled out and the full 18-page version includes the form, the instructions, and the building diagrams. Both versions are fillable PDFs, and can be found at the link above. We encourage everyone to begin requesting that surveyors/engineers/architects use the fillable Elevation Certificates, and that communities then forward them in that format to ISO for CRS purposes. The fillable format digitizes information from the form so that it can be easily used in data management applications, increasing the efficiency with which we can review them.

Here are some more reminders.

- At recertification time, the review of your Elevation Certificates is a courtesy review only, and is intended to help you see what common errors you may have on your Elevation Certificates, or to verify that they are all correct. You are given this review so you may go back and correct all your Elevation Certificates and have them ready for your next cycle verification.
- The score for your Elevation Certificates is based on the first review we do during your cycle verification. If your correctness rate is below 90%, then we ask you to correct all your Elevation Certificates and we'll review them again to see if you meet the 90% requirement. Subsequent reviews will not raise your score, but you do have to correct the Elevation Certificates until you reach the 90% threshold required for staying in the CRS.
- If you are submitting Elevation Certificates digitally, please try to scan them at 300 dpi in black and white. This resolution performs best when we need to work with them.
- Here are some of the most common errors the CRS Team sees on Elevation Certificates:
  - The Elevation Certificates do not match up to the Permit List that was submitted.
  - The wrong building diagram number has been entered in A7.
  - A wrong (or no) community name or number has been entered in B1.
  - Only the panel number has been entered in B4, instead of the whole map number.
  - Datums do not match up or conversion notes are not included in B11 and C2.
  - The elevation for machinery/equipment has not been entered in C2e. ≡≡≡

### Get the Current CRS Fact Sheet

An updated version of *The Community Rating System* fact sheet is now available on the FEMA website. This is the standard two-page handout that the Federal Insurance and Mitigation Administration uses to provide a basic understanding of the CRS to a range of stakeholders. It has been brought up to date with data from 2017 and a list of the current top seven CRS communities. Download the CRS Fact Sheet from

<https://www.fema.gov/media-library/assets/documents/9998>.



## New Recertification Process . . . Did you Know?

- No longer is everyone in the CRS required to recertify every October 1st. We now have staggered due dates of February 1, May 1, August 1, and October 15, based on your state. A list of the due dates is posted on the [CRS Resources website](#).
- The annual reporting period for your recertification documentation extends from the time you are ready to submit your recertification back to your last recertification or the end of your last cycle (or new application) verification.
- You may not be required to recertify every time your due date comes up, if
  - You are currently undergoing a cycle verification or are scheduled for one later that same year;
  - You recently finished a cycle verification (or new application) and your classification is not yet one year old; or
  - You have recently been affected by a major disaster. Sometimes it's hard for us to know how serious the impact was on your community, so please contact your ISO/CRS Specialist if the disaster is affecting your schedule or workload.

For more information, see the articles on pages 2 and 3 of the August/September issue of the newsletter, posted on the 200s tab of the [CRS Resources website](#). ≡ ≡ ≡

## Help on those Area Analyses for Repetitive Flood Losses

Every community that participates in the CRS addresses its entire repetitive loss problem—not only the buildings on FEMA's Repetitive Loss List but also the adjacent buildings with the same or similar flood conditions. When they complete a Repetitive Loss Area Analysis (RLAA), CRS communities develop a better understanding of the sources of their repetitive flood damage and, in turn, can provide more meaningful mitigation solutions to owners of the affected properties. In addition, through this process a community can earn up to 140 points of CRS credit for element RLAA under Activity 510 (Floodplain Management Planning).

An RLAA requires a five-step planning process, which is delineated in Section 512.b of the *CRS Coordinator's Manual*. The process involves collecting data on all buildings in places with repetitive losses, and generating maps that show the affected area(s).

*Developing a Repetitive Loss Area Analysis for Credit under the CRS* is a new guidance document that gives more detailed information about preparing the RLAA. It discusses how to update the repetitive loss list that FEMA distributes, explains step-by-step how to generate a map of a repetitive loss area, gives tips on interpreting conditions at the site of the repetitive flooding, shows how the Privacy Act affects the handling of flood insurance data, lists what must be included in the annual evaluation of the RLAA and in the community's cycle verification materials, and more. It is available for download at [www.CRSresources.org/500](http://www.CRSresources.org/500). ≡ ≡ ≡

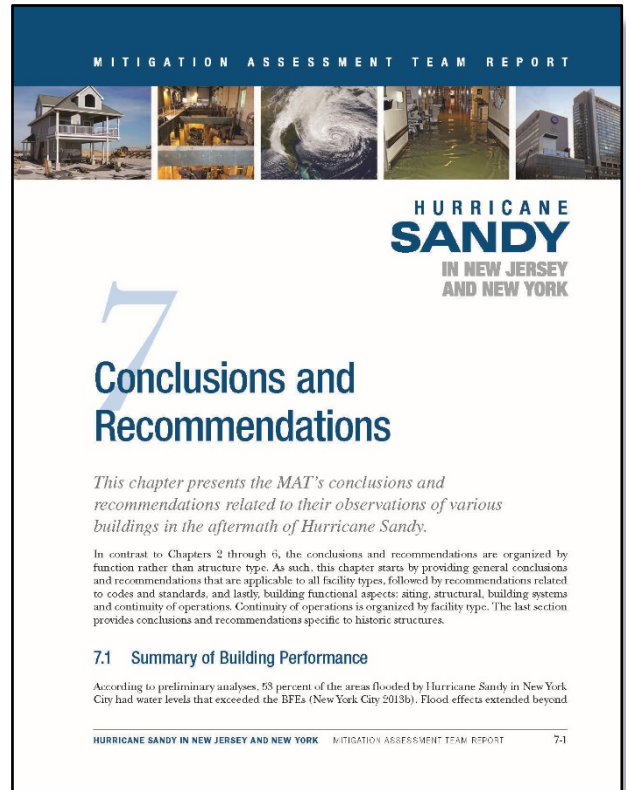
# Markers of Progress after Sandy

It has been five years since Hurricane Sandy swept across the Eastern seaboard and the upper Midwest, with high winds, storm surge, flooding, and even snow, affecting 24 states. The National Oceanic and Atmospheric Association estimated the cost of the storm at \$70.2 billion—at the time the second-most costly storm in U.S. history.

Immediately after Sandy, FEMA deployed four Mitigation Assessment Teams (MATs) to study, assess and record how structures fared in the face of the storm. Each MAT visited several locations in New Jersey and New York to assess the performance of specific building and facility types. Their report, *Hurricane Sandy MAT Report* (FEMA P-942), made over 50 recommendations for improvements to building codes, planning, technical guidance, and other actions geared toward making buildings safer and stronger.

FEMA tracks progress in achieving these improvements on a page of its “Sandy 5 Year” website. The agency estimates that 70 to 75% of the recommendations have been implemented so far. Among the highlights are

- **Stronger ICC provisions**—The International Code Council is adopting higher elevation standards in coastal areas and referencing provisions that minimize hazards at critical hospitals.
- **Better FEMA technical guidance**—Advisory publications on protecting building utilities, non-residential floodproofing, and emergency power for critical facilities were upgraded.
- **More flood-resistant local codes**—Additional provisions targeted to flood resistance have been adopted in several New York and New Jersey localities.
- **Enhanced guidance and standards among partner organizations**—The American Society of Civil Engineers, the Facilities Guidelines Institute, the National Fire Protection Association, and the Centers for Medicare and Medicaid Service all incorporated some flood-resistance and/or emergency preparedness standards into their operational guidance.
- **Contributions to disaster resilience**—MAT recommendations for future conditions flood mapping and addressing infrastructure resilience were incorporated into FEMA policies.



To follow the progress of each MAT recommendation and to learn more about enhanced resilience after Sandy, check out the Sandy 5 Year website at [www.fema.gov/sandy-5-year](http://www.fema.gov/sandy-5-year). ≡≡≡

# Debbie's Dish . . . on CRS Users Groups

Debbie Cahoon Vascik, CFM  
*Users Groups Liaison*

## Chips and CRS

I went to dinner recently with my friend Kathy, who was in town for the Thanksgiving holiday. Over chips and queso, she wanted to know how my work was going. After my brief run-down, she wanted to know, “What exactly is the CRS?”

She probably assumed this was an innocuous question, but I knew I had a lot to say just to give a barely adequate explanation. So I took a break from snacking and launched into an impromptu 20-minute presentation. I couldn't explain the CRS without first talking about the National Flood Insurance Program since you can't understand higher standards without first knowing the minimum standards. Every few minutes, I would take a breath (and another tortilla chip). I'd ask, “Are you sure you want to know all this?” and she'd say, “Yes,” and then I'd pick up where I left off. Although I am incurably dedicated to the CRS, I can't assume everyone else is interested, especially people outside of the floodplain industry. I wanted to answer the question, but not tell my friend more than she wanted to know.

After the introduction to the NFIP, I gave Kathy the finer points about the CRS. I outlined the activities, elements, prerequisites, points, classes, discounts, and even gave her examples of documentation like drainage system maintenance records, stormwater management manuals, and floodplain management plans.

Explaining about the CRS to my friend got me energized (as it often does) and even more so because I was educating someone completely unfamiliar with the program. I explained how I help communities participate in the program, and how much I enjoy my role as CRS Users Group Liaison because it gives me a commonality with people from all over the country who share my passion for the CRS. I was proud to have been asked about the CRS, and hoped that I gave a thorough and interesting explanation of a program that is so integral to who I am and what I do.

While I was talking I realized that, despite the thickness of the *CRS Coordinator's Manual* and the perception that the CRS is complicated, it really isn't. It's a straightforward program that acknowledges and rewards communities that are striving to meet three goals: reduce and avoid flood damage to insurable property, strengthen and support the insurance aspects of the NFIP, and foster comprehensive floodplain management. I firmly believe these should be the goals of any floodprone community—CRS or not. But that's a topic for another day.

At the end of my spiel, Kathy wondered aloud if her community back home was in the CRS. I told her I could easily find out for her. We went on to other subjects, and I asked the waiter for another bowl of chips. All that talking made me hungry all over again. ≡ ≡ ≡



# Online Resources

## At CRSresources.org

Check frequently at the [CRS Resources website](#) to see what's been added in the way of CRS materials. All documents referred to in the *Coordinator's Manual* are posted here as soon as they are available. If you cannot find a piece of information or document, please notify your ISO/CRS Specialist or [NFIPCRS@iso.com](mailto:NFIPCRS@iso.com). Here are some recent additions to the website.

- *Developing a Repetitive Loss Area Analysis for Credit under the CRS* (see article on page 6) guides communities in analyzing the portions of their communities that are subject to repetitive flooding and also helps them earn RLAA credit under Activity 510. See the 500s tab of the [CRS Resources website](#).
- **Webinar Schedule**—A schedule for 2017 is posted under the Training & Videos tab of the [CRS Resources website](#). This link has registration information. See the webinar schedule below.
- The last issue of the *NFIP/CRS Update* newsletter, (August/September 2017), in case you missed it, along with all other past issues, can be found under the 100s tab of the [CRS Resources website](#).
- **Success with CRS** is a tab on the [CRS Resources website](#) with articles about the many ways in which communities have found their own types of success through the CRS. ≡≡≡



# Training Opportunities

## Webinars

The CRS offers webinars to help communities understand and meet their CRS requirements. Many will be recorded, so they can be accessed later. Registration is free but required, as space is limited. Some courses provide continuing education credits for Certified Floodplain Managers (CFMs). See the [CRS Resources website](#). The one-hour webinars listed below are on the calendar, and others will be scheduled. All webinars begin at 1:00 pm EST / 10:00 am PST.

- **Introduction to the CRS** — December 12, 2017
- **The CRS and Coastal Hazards** — December 13, 2017
- **Working with Repetitive Loss Properties** — January 17, 2018

If you'd like to have a webinar on the FEMA Elevation Certificate, or a particular CRS activity, contact your ISO/CRS Specialist. For more on the CRS webinars, go to the Training tab of the [CRS Resources website](#). If you have questions about or suggestions for the CRS Webinar Series, contact [Becca.Croft@atkinsglobal.com](mailto:Becca.Croft@atkinsglobal.com).

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# Training Opportunities (cont.)

## Workshops and Training related to the CRS

- **The Community Rating System (E0278)** (field-deployed course is designated as L0278).  
.....March 26–29, 2018; June 25–28 2018

This is the all-purpose training course for the CRS. It is taught at both the Emergency Management Institute (see below) and at sites throughout the country at the request of interested communities, groups, or states, pending available funding.

- Attendees of E0278 CRS courses based on previous *Coordinator’s Manuals* may want to repeat this course. Therefore, restrictions on repeat attendance have been waived.
- For continuing education credit for Certified Floodplain Managers, the ASFPM will award CECs earned at the E0278 CRS course.
- No more than two persons per community may attend at one time.

Prerequisite: To enroll in the CRS course, you must be a Certified Floodplain Manager (CFM®), or have completed the National Flood Insurance Program course (E0273), or be a full-time floodplain manager with over two years of floodplain management experience.

- **Managing Floodplain Development through the NFIP (E0273)**  
.....May 7–10, 2018; August 27-30, 2018

E0273 is also field deployed periodically. Contact your State NFIP Coordinator for more information [see the *ASFPM’s website*].

- **Retrofitting Floodprone Residential Buildings (E0279)** .....May 14–17, 2018
- **Advanced Floodplain Management Concepts I (E0282)** .....July 30—August 2, 2018
- **Advanced Floodplain Management Concepts III (E0284)** .....July 23–26, 2018
- **Residential Coastal Construction (E0386)** .....August 13–16, 2018
- **Unified Hazard Mitigation Assistance—  
Developing Quality Application Elements (E0212)** ..... April 30—May 3, 2018
- **Unified Hazard Mitigation Assistance—  
Application Review and Evaluation (E0213)** .....June 25—26, 2018
- **Unified Hazard Mitigation Assistance—  
Project Implementation and Programmatic Closeout (E0214)**.....June 27–28, 2018
- **Fundamentals of Building Science (E0312)** ..... September 24–27, 2018

CRS communities can receive CRS credit points after their staff members complete certain training sessions. Under Section 432.o, regulations administration (RA) of the *Coordinator’s Manual*, five points are provided for each member of a community’s floodplain permit staff who graduates from courses E0194, E0273, E0278, E0282, E0284, or E0386 (up to 25 points). Graduating from E0279 is worth up to five points under Activity 360 (Flood Protection Assistance).

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# Training Opportunities (cont.)

## About the Emergency Management Institute

FEMA's Emergency Management Institute (EMI), in Emmitsburg, Maryland, offers training on topics related to floodplain management, mitigation, and construction, including the basic CRS course (E0278). These are oriented to local building, zoning, planning, and engineering officials. Tuition is free for state and local government officials, travel stipends are available, and on-campus lodging is free. Free transportation is provided from the airport to the campus and back to the airport. The only out-of-pocket expense is a meal ticket—all-you-can-eat breakfast, lunch, and dinner. Go to the welcome page of the [EMI website](#) for specific details. The application to attend can be found at this page on the [EMI website](#), or call EMI at 1-800-238-3358 or (301) 447-1035. Signed applications should be submitted through the state's Emergency Management Training Officer.

## Bring the CRS to Your Home Town

The CRS conducts the field-deployed CRS course (L0278, the same as EMI's E0278) throughout the year, depending on funding availability. A state, CRS Users Group, or organization that would like to host a course or discuss CRS training opportunities should contact its FEMA Regional CRS Coordinator (see the [CRS Resources website](#)). ≡ ≡ ≡

### Statement of Purpose

The *NFIP/CRS Update* is a publication of the National Flood Insurance Program's Community Rating System. It provides local officials and others interested in the CRS with news they can use.

The *NFIP/CRS Update* is produced in alternate months by the Insurance Services Office, Inc. (ISO), which is the Lead Service Provider to the Federal Emergency Management Agency for the CRS. The newsletter is distributed electronically, at no cost, to local and state officials, consultants, and other interested persons. Communities are encouraged to copy and/or circulate the *Update* and to reprint its articles in their own local, state, or regional newsletters. No special permission is needed.

To become a subscriber or to suggest a topic that you would like addressed, contact

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You can also sign up for the newsletter at the [CRS Resources website](#).